



**4830-01-P**

## **DEPARTMENT OF THE TREASURY**

### **Internal Revenue Service**

#### **Publication of the Tier 2 Tax Rates**

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Notice.

**SUMMARY:** Publication of the tier 2 tax rates for calendar year 2018 as required by section 3241(d) of the Internal Revenue Code. Tier 2 taxes on railroad employees, employers, and employee representatives are one source of funding for benefits under the Railroad Retirement Act.

**DATES:** The tier 2 tax rates for calendar year 2018 apply to compensation paid in calendar year 2018.

**FOR FURTHER INFORMATION CONTACT:** Kathleen Edmondson,

CC:TEGE:EOEG:ET1, Internal Revenue Service, 1111 Constitution Avenue, NW, Washington, DC 20224, Telephone Number (202) 317-6798 (not a toll-free number).

**TIER 2 TAX RATES:** The tier 2 tax rate for 2018 under section 3201(b) on employees is 4.9 percent of compensation. The tier 2 tax rate for 2018 under section 3221(b) on employers is 13.1 percent of compensation. The tier 2 tax rate for 2018 under section 3211(b) on employee representatives is 13.1 percent of compensation.

Dated: November 21, 2017.

**Victoria A. Judson,**

*Associate Chief Counsel (Tax Exempt and Government Entities).*

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